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MUSTARD CAPITAL INC. EARNS ECONOMIC DEVELOPMENT AWARD

A rising star in the value-added agricultural industry, Mustard Capital Inc. (MCI) of Gravelbourg earned the top prize at the 2008 Economic Development Awards of Excellence held in Saskatoon.

The venture, owned by 75 local shareholders, received the outstanding initiative award from the Saskatchewan Economic Development Association. The award is presented annually to an agency that has successfully advanced the community, regional or provincial economy through an economic development initiative.

MCI operates a dry mustard milling facility that began as a community-led initiative of the Red Coat Regional Economic Development Authority (REDA) and the Gravelbourg Economic Development Committee.

Today, it is owned by a group of 75 local shareholders, with financial contributions from the local REDA, the Town of Gravelbourg, the Advancing Canadian Agriculture and Agri-Food Saskatchewan fund, and other government agencies.

The company employs 10 people and has a production capacity of approximately 5,000 tonnes annually.

The community wanted to build upon its comparative strengths in pursuing an opportunity in value-added agriculture. "They examined a few different crops, and the one that emerged that showed the most potential was mustard," said MCI Chief Executive Officer Tom Halpenny.

The next step was to complete a feasibility study to examine the economic potential of mustard. From there, a full-blown business plan was developed. The time frame from conception to the delivery of a business plan in spring 2007 was six years. Production began in fall 2007.

Today, MCI supplies processed, high-quality yellow, oriental and brown mustard ingredients all over the Americas, Europe, the Middle East and Asia. More than 90 per cent of the company's product is exported, with the largest share sent to the United States. The products are used for prepared mustards, flavour enhancers, binders and extenders.

According to Halpenny, essentially all of MCI's mustard supply is grown in Saskatchewan.

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Product lines are an important avenue for expansion. "We offer some unique products that others aren't offering, and some that only a few others are offering," Halpenny said. "We have the capabilities to partially de-oil the mustard. Those are some of the areas where we hope to base our expansion."

Despite challenges involving the value of the U.S. dollar, the future looks bright for Mustard Capital Inc.

"We have a growth strategy as we acquire some success in the marketplace and build some relationships with customers," Halpenny said. "Essentially, we have a three-tier expansion plan."

The final tier of the plan will be complete when MCI operates from a large, stand-alone facility, Halpenny said.

- 30 -

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